


ROUTING AND RECORD SHEET

FROM:					COMMENTS	
EE/A						
TO	ROOM NO.	DATE		OFFICER'S INITIALS		
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DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCES METHOD EXEMPTION 3B2 B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

GROUND/SUPP

COORDINATING OFFICERS		AUTHENTICATING OFFICER	
NAME	OFFICE	NAME	TITLE
[]	EE/ISad	[]	EE/A
		RELEASING OFFICER	
		NAME	TITLE
		[]	C/EE/A

ENCLOSURE	ABSTRACT	X	FILE NUMBER
	INDEX		6-124-27/2
DATE MICROFILMED		DOCUMENT DATE	DOCUMENT NUMBER
		8 SEP 1959	BAVW-13415

DISPATCH		CLASSIFICATION SECRET	DISPATCH SYMBOL AND NO. NAVW-13415
TO INFO	Chief of Station, Vienna Attn: Chief of Base, Salzburg		HEADQUARTERS FILE NO. 6-124-27/2
FROM	Chief, EE	DATE 8 SEP 1959	
SUBJECT	GROOVY/GRICROOND/Support Currency Cache for GRIMPASTE		RE: "43-3" — (CHECK "X" ONE) <input type="checkbox"/> MARKED FOR INDEXING <input checked="" type="checkbox"/> NO INDEXING REQUIRED
ACTION REQUIRED	Salzburg: paragraph 7 Vienna: paragraph 8		INDEXING CAN BE JUDGED BY QUALIFIED HQ. DESK ONLY
REFERENCE(S)			
<p>A. BASA-5222, dated 10 August 1959 B. RAVA-23189, dated 18 August 1959</p> <p>1. Approval of the caching of funds for operational reasons is granted only by KUDOVE and the request for KUDOVE approval must be specific with regard to the type of currency to be cached and to whether the cache is to be made by a KUBARK officer or an agent. Therefore, in order that we may request the approval properly, the following is set forth for your consideration.</p> <p>2. As far as we know there are no gold coins in free circulation in either Austria or West Germany today, and currency which is in circulation in these areas now probably would be valueless soon after the outbreak of hostilities. Consequently, we are assuming from Reference A that the gold coins to be cached for or by GRIMPASTE would be of the type normally used for this purpose by KUBARK (and presumably available at the Austrian Station,) or those which might be purchased in old coin shops.</p> <p>3. The caching of official funds, especially KUBARK's gold coins, requires project amendment (in this case,) KUDOVE approval, and case officer compliance with the detailed reporting, accounting, and security requirements set forth in OSI-F-No. 50-5, dated 23 July 1958, if the funds are to be cached by the <u>case officer</u>. If the funds are to be cached by the <u>agent</u>, paragraph 3c of the same instruction precludes the need for the detailed administrative measures (exclusive of project amendment and KUDOVE approval,) since control over the funds is considered lost.</p> <p>4. The consensus among those at Headquarters familiar with processing requests of this sort is that KUDOVE probably would not approve the issuance of KUBARK's gold coins for caching by GRIMPASTE, since the loss of control over these coins could lead to possible compromise of the agent's activities and KUBARK's clandestine funding techniques for stay-behind assets. It is felt that the limited benefit to be realized, whether it be a morale-boosting or practical consideration, by allowing GRIMPASTE to cache \$100.00 worth of KUBARK's gold coins may not justify even the minimal risk involved, despite the fact that the agent has never given KUBARK cause to question his integrity. It appears, therefore, that if KUBARK's gold coins are to be used, they will have to be issued to and cached by the case officer, and the worth of adopting this procedure in this case is questionable in view of the administrative requirements involved.</p> <p>5. If old gold coins of the type found in coin shops are to be used, we foresee no problem in having GRIMPASTE acquire and cache these himself or in obtaining KUDOVE approval of the activity, provided such coins are readily available and their initial cost is reasonable enough to furnish the agent with close to \$100.00 worth of purchasing power.</p> <p>6. In summation, any cache of funds for or by GRIMPASTE will require project amendment and KUDOVE approval; if KUBARK's gold coins are used, the case officer probably will have to make the cache and satisfy the administrative requirements referred to above; and if old gold coins are available and used, GRIMPASTE might purchase and cache these himself and a minimum of administrative reporting would be involved. If neither of these two courses of action are feasible, consideration might be given to caching barter items other than funds or commodity assets, such as cigarettes, inexpensive jewelry and watches, etc. The caching of such items might achieve the desired result and would require neither Headquarters</p>			
FORM 10-57 53 (40)	USE PREVIOUS EDITION. REPLACES FORMS 51-28, 51-28A AND 51-29 WHICH ARE OBSOLETE.	CLASSIFICATION SECRET	CS COPY 6-124-27/2 <input type="checkbox"/> CONTINUED PAGE NO. 1

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CONTINUATION OF DISPATCH	CLASSIFICATION SECRET	DISPATCH SYMBOL AND NO. BAVW-13415
<p>approval nor detailed reporting by the case officer.</p> <p>7. For Salzburg: Please advise us of the course of action you intend to take and if funds are involved, the type of currency to be cached and by whom.</p> <p>8. For Vienna: If Salzburg's choice is to cache the type of gold coin normally used for this purpose by HUBARK, please advise us as to whether ^asufficient supply is available at the Austrian Station.</p> <div data-bbox="1138 638 1574 774" style="text-align: center;">[]</div>		
<p>3 September 1959</p>		
<p>Distribution:</p> <p>3-Vienna</p> <p>2-Salzburg</p> <p>✓ 1-RI</p> <p>1-EE/A — destroyed RK</p> <p>1-EE/A Chrono</p>		
<div data-bbox="1330 2390 1744 2498" style="text-align: right;"> IS COPY 6-124-27/2 </div>		
FORM 10-57 53a (40)	USE PREVIOUS EDITION. REPLACES FORMS 51-28, 51-28A AND 51-29 WHICH ARE OBSOLETE.	CLASSIFICATION SECRET <div data-bbox="1298 2512 1457 2566" style="display: inline-block;"> <input type="checkbox"/> CONTINUED </div> <div data-bbox="1564 2485 1755 2582" style="display: inline-block; vertical-align: top;"> PAGE NO. 2 </div>